

FOR IMMEDIATE RELEASE

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Fiscal Discipline Paying Off for Columbus

**Only Major City in Nation to Earn Top AAA Bond Rating
from Three Major Rating Agencies**

(Columbus, OH) The Auditor, Council and Mayor were notified yesterday that the City's fiscally conservative spending and responsible Capital budgeting once again made Columbus the highest credit ranked big city in the nation. Columbus again earned AAA ratings from Moody's Investor's Service and Standards and Poor's, as well as Fitch, the only one of the nation's largest 25 cities to hold such a high rank.

"I'm proud of our team, City Council and our Auditor Hugh Dorrian for being able to continue neighborhood Capital projects like fire stations, parks, streets and sidewalks, through a tough recession while still protecting our credit rating," said Mayor Michael B. Coleman. "This high rating recognizes our commitment to fiscal discipline, and one more reason that we believe residents should be proud that they have supported our Voted Bond Packages at the polls."

The rating agencies analyzed Columbus' fiscal controls and history of responsible accounting and budgeting in determining the ratings. The analysis is done before the City is allowed to sell Public Bonds to fund Capital Projects. Auditor Dorrian requested the Bond Ratings in preparation for an \$80 million Sanitary Sewer Bond Sale this summer. The AAA rating means that Columbus can continue to borrow at lower interest rates as the City moves forward planned neighborhood investments in 2006.

"Of America's top 25 cities, Columbus is the only one to maintain a AAA rating for all of our General Obligation debt from the three major rating agencies, and that only happens after the agencies do a detailed analysis of our financing, debt and accountability," said City Auditor Hugh Dorrian. "The Voters of Columbus can be confident that we will continue doing the best possible job with every dollar, and that we will use the lower interest rates to save Columbus potentially millions of dollars."

The City of Columbus Capital Budget is separate from the General Fund "Operating" Budget, and can only be invested in major purchases, construction or renovations, or land purchases. While the separate budgets are often confused,

the City cannot use borrowed Capital Funding to pay for operating salaries, employees or other operational costs.

On Monday, June 19th, Columbus City Council passed \$410.2 million in neighborhood priorities and infrastructure improvements with Ordinance #1108-2006, the 2006 Capital Improvements Budget (CIB), a spending plan for major purchases and projects such as new Fire Trucks and Equipment, the Lincoln Theater, sidewalks and pedestrian safety, road improvements in the 315 Tech Corridor, and the City's efforts to fix up or demolish abandoned housing.

The ordinance will also advance \$230.1 million in projects carried over from prior years. It includes all funding sources, whether from the City's 25% income tax set-aside, Utilities revenues, or from partners at the federal government, the state, or other sources (MORPC, Ohio State, Information Services or Fleet funds, etc.).

“We are moving forward on our promises, in every quadrant of the City, with new investment to maintain our quality of life, improve safety and help us continue to attract businesses to Columbus,” said Mayor Coleman.

Many of the new neighborhood projects are funded through the Special Income Tax (SIT) fund, in the amount of \$133.5 million. Separate legislation will authorize spending for each individual project.

Columbus SIT-funded Neighborhood Priorities include:

1. A new West Side Health Center, total investment to \$8.4 million
2. \$5 million for roadway improvements to spur development in the SciTech Corridor over three years
3. \$2.5 million for new Fire Trucks and apparatus for the Division of Fire
4. \$3.775 for new Fire Station #10 in Franklinton
5. \$8 million for a proposed new heliport for the Division of Police, to allow economic development to continue as new jobs come to Gowdy Field
6. \$1.92 to build a new Neighborhood Policing Center in partnership with The Ohio State University. The same contribution is anticipate from OSU
7. \$3.5 million for the HOME AGAIN Program
8. \$4 million to bring new life and renovation to the historic Lincoln Theater, the cornerstone development in the new King Lincoln District
9. \$12 million to re-locate the impound lot off the Whittier Peninsula and allow that property to be re-developed as a new neighborhood and parks area
10. Pedestrian Safety, \$6.8 million through 2007 (including new sidewalks)
11. \$8 million is added for street resurfacing. We are also spending this year the money from a \$15.8 million bond sale last fall
12. \$8.32 million for road improvements (widening, lane additions, etc.). In addition, \$3.9 million is being added to improve Hayden Run and East

Broad Street through TIF's to allow for future economic and residential development

13. \$2.7 million for efforts to bring new economic development to South Parsons Avenue